

CONTINENTAL POWER MACHINERY INC.

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March 26, 2003

Mr. Dean Crist
MidAmerican Energy Company
666 Grand Ave
P. O. Box 657
Des Moines, Iowa 50303

Re: Equipment Valuation
Westinghouse 501F

Dear Mr. Crist,

Pursuant to your request for a market valuation for a new Westinghouse 501F Gas Turbine Generator during July of 2001, it is our opinion that the market value for such equipment would have been in a range between \$35,000,000 and \$40,000,000 depending on; scope of supply, accessories, OEM services included, and negotiation with the OEM. Deliveries of equipment ordered during the summer of 2001, and in the period immediately before were reported to be a minimum of 18-24 months.

Background and Market Conditions

To understand market conditions in the summer of 2001, it may useful to briefly review the supply and demand environment for gas turbine sales at that time.

The period from the late 1990's thru 2001 was a time of significant growth in the Electric Power Industry. Because of a combination of factors including:

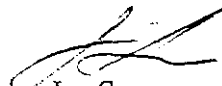
1. *Growth of the U.S. and world economies.*
2. *Shortages of electric power in some parts of the country.*
3. *High spot market prices.*
4. *Deregulation of electric Utility Companies.*
5. *More stringent emissions requirements, which could be achieved by newer gas turbines.*
6. *Emergence of non-regulated power suppliers and merchant plant operators.*
7. *Availability of capital in a declining interest rate environment.*
8. *Significant improvements in reducing emissions.*

Demand for new gas turbines during that time increased significantly. This was especially true for larger gas fired turbines such as the Westinghouse 501F, which were suitable for both utility and merchant plant combined cycle operations. As a result of this increase in demand for generating equipment, both prices, and delivery times increased significantly.

In summary, in July 2001, the market for combustion turbines was characterized by significantly high demand, increasing prices, and long lead times.

If you have any questions, or if we can be of further service, please let me know.

Sincerely,



Irv Suss

Continental Power Machinery is an independent broker/dealer specializing in the gas turbine industry. The above valuation reflects our opinion only, and is based on our 17 years of industry experience, buying/selling/brokering gas turbines.